

Introduced by Senator Perata

February 21, 2003

An act to add Section 1788.18 to the Civil Code, relating to debt collection.

LEGISLATIVE COUNSEL'S DIGEST

SB 1022, as introduced, Perata. Debt collectors.

Existing law prohibits certain actions by debt collectors in connection with the collection of consumer debts.

This bill would authorize consumers to record their conversations with debt collectors. The bill would require debt collectors to inform consumers of that authorization when the debt collector has a conversation with a consumer or provides a written instrument to a consumer.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares the
2 following:

3 (a) The federal government provides little oversight of the debt
4 collection industry.

5 (b) While existing law imposes various responsibilities on debt
6 collectors, the State of California no longer requires the licensure
7 of debt collectors and collection agencies as it did pursuant to
8 Chapter 8 (commencing with Section 6850) of Division 3 of the
9 Business and Professions Code before those provisions became
10 inoperative.



1 SEC. 2. Section 1788.18 is added to the Civil Code, to read:
2 1788.18. (a) Notwithstanding Sections 631 and 632 of the
3 Penal Code, consumers may record all conversations with a debt
4 collector.

5 (b) At the beginning of a conversation with a consumer, a debt
6 collector shall inform the consumer, in the language of the
7 conversation, of the consumer's right under California law to
8 record the conversation.

9 (c) Every written instrument provided to a consumer by a debt
10 collector shall state that the consumer has the right under
11 California law to record any conversation with the debt collector.

